

FEDERAL COMMUNICATIONS COMMISSION

Washington, D. C. 20554

DEC 10 2003

FILE

OFFICE OF  
MANAGING DIRECTOR

Stuart W. Nolan, Esq.  
Wood, Maines & Brown, Chtd.  
1827 Jefferson Place, N.W.  
Washington, D.C. 20036

Re: Requests for Waiver of FY 2003 Regulatory Fees:  
SM Radio, Inc.  
Fee Control No. 00000RROG-04-006

Consolidated Radio, Inc.  
Fee Control No. 00000RROG-03-016<sup>04</sup>

La Radio Cristiana Network, Inc.  
Fee Control No. 00000RROG-04-013

Paulino Bernal  
Fee Control No. 00000RROG-04-012

Dear Mr. Nolan:

This is in response to your requests (all dated September 25, 2003), filed on behalf of SM Radio, Inc. (SMRI), Consolidated Radio, Inc. (CRI), La Radio Cristiana Network, Inc. (LRCN), and Paulino Bernal (Bernal) for waivers of the fiscal year (FY) 2003 regulatory fees on the basis of financial hardship. The waiver requests are filed on behalf of (1) SMRI with respect to Station KUOL(AM), San Marcos, Texas, (2) CRI with respect to Station KVOZ(AM), Del Mar Hills, Texas, (3) LRCN with respect to FM stations KERB, Kermit, KDFM, Falfurrias, KAYG, Camp Wood (all Texas), and AM stations KIBL, Beeville, and KERB, Kermit (both Texas), and (4) Bernal with respect to FM stations KJAV, Alamo, KMFM, Premont, KPBM, McCamey (all Texas) and AM station KUBR, San Juan, Texas.

In each of your waiver requests, you recite that the stations at issue broadcast religious programming and rely substantially on the proceeds from contributions from listeners to support operations. You state that the contributions from listeners have dropped dramatically in the last two years. Although you anticipate that financial statements will show a financial loss for these stations, you state that such statements are not currently available because the relevant station's accountant is "overburdened with work[.]" You state that financial statement will be available after October 15, 2003.

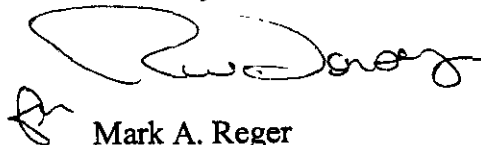
The Commission may waive, reduce, or defer regulatory fees only upon a showing of good cause and a finding that the public interest will be served thereby. See 47 U.S.C. §159(d); 47 C.F.R. §1.1166; *see also Implementation of Section 9 of the Communications Act, Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year, Report and Order*, 9 FCC Rcd 5333, 5344 (1994), *on recon.*, *Memorandum Opinion and Order*, 10 FCC Rcd 12,759, para. 12 (1995) (regulatory fees may be waived, deferred, or reduced on a case-by-case basis in extraordinary and compelling circumstances upon a clear showing that a waiver would override the public interest in reimbursing the Commission for its regulatory costs). The Commission will waive, reduce or defer its regulatory fees in those instances where a petitioner presents a compelling case of financial hardship. See *Implementation of Section 9 of the Communications Act*, 9 FCC Rcd 5333, 5346 (1994), *on recon.*, 10 FCC Rcd 12759 (1995). Regulatees can establish financial hardship by submitting

information such as a balance sheet and profit and loss statement (audited, if available), a cash flow projection . . . (with an explanation of how calculated), a list of their officers and their individual compensation, together with a list of their highest paid employees, other than officers, and the amount of their compensation, or similar information. 10 FCC Rcd at 12761-12762.

In the absence of such documentation, or other relevant showing, you have failed to establish a compelling case for relief in any of the instant waiver requests. Therefore, your requests for waiver of the regulatory fees here are denied.<sup>1</sup> Payment of the FY 2003 regulatory fees is now due. The regulatory fee for each station should be filed together with a Form FCC 159 (copies enclosed) within 30 days from the date of this letter. However, in view of your allegations of financial hardship, in lieu of payment, you may refile the requests for relief together with appropriate supporting documentation and a request to defer further payment of the fees, within 30 days from the date of this letter.

If you have any questions concerning this matter, please contact the Revenue & Receivables Operations Group at (202) 418-1995.

Sincerely,



Mark A. Reger  
Chief Financial Officer

Enclosures

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<sup>1</sup> Insofar as you request a deferral of payment if your waiver requests are denied, we point out that 47 C.F.R. § 1.1166 requires that deferrals must be supported by documentation of financial hardship.